

# COMMITTEE REPORT

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## MADAM PRESIDENT:

The Senate Committee on Tax and Fiscal Policy, to which was referred Senate Bill No. 17, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

- 1 Page 1, line 11, delete "thirty (30)" and insert "**twenty-five (25)**".
- 2 Page 2, line 16, delete ":" and insert "five (5) years;".
- 3 Page 2, delete lines 17 through 20.
- 4 Page 6, delete lines 32 through 42, begin a new paragraph and
- 5 insert:
- 6 "**(l) In addition to the other requirements of this chapter, if**
- 7 **property located in an economic revitalization area is also located in an**
- 8 **allocation area (as defined in IC 36-7-14-39 or IC 36-7-15.1-26), an**
- 9 **application for the property tax deduction provided by this chapter a**
- 10 **taxpayer's statement of benefits concerning that property may not**
- 11 **be approved under this chapter unless the commission that designated**
- 12 **the allocation area adopts a resolution approving the application**
- 13 **statement of benefits is adopted by the legislative body of the unit**
- 14 **that approved the designation of the allocation area.**
- 15 SECTION 3. IC 6-1.1-20-1.6 IS AMENDED TO READ AS
- 16 FOLLOWS [EFFECTIVE JULY 1, 2008]: Sec. 1.6. **(a)** As used in this
- 17 chapter, "property taxes" means a property tax rate or levy to pay debt
- 18 service or to pay lease rentals. ~~but does not include~~ **Except as**
- 19 **provided in subsections (b) and (c), the term includes** taxes allocated
- 20 for an allocation area under IC 6-1.1-39-5, IC 8-22-3.5-9,
- 21 IC 36-7-14-39, IC 36-7-15.1-26, or IC 36-7-15.1-53 **to the extent that**

those taxes are used to pay debt service or lease rentals.

(b) The term "property taxes" does not include taxes that:

(1) are allocated for an allocation area under IC 6-1.1-39-5, IC 8-22-3.5-9, IC 36-7-14-39, IC 36-7-15.1-26, or IC 36-7-15.1-53; and

(2) will be used to pay debt service or lease rentals on bonds or a lease:

(A) issued or entered into before July 1, 2008;

(B) issued or entered into after June 30, 2008, but authorized by a resolution adopted before July 1, 2008; or

(C) issued or entered into after June 30, 2008, in order to:

(i) fulfill the terms of agreements or pledges entered into before July 1, 2008, with the holders of bonds or other contractual obligations that were issued or entered into before July 1, 2008; or

(ii) otherwise prevent an impairment of the rights or remedies of the holders of bonds or other contractual obligations that were issued or entered into before July 1, 2008.

(c) The term "property taxes" does not include taxes that:

(1) are allocated for an allocation area under IC 6-1.1-39-5, IC 8-22-3.5-9, IC 36-7-14-39, IC 36-7-15.1-26, or IC 36-7-15.1-53; and

(2) will be used to pay debt service or lease rentals;

if, not later than fifteen (15) days after the adoption of the preliminary resolution to issue the bonds or enter into the lease for which the taxes will be used to pay debt service or lease rentals, the Indiana economic development corporation issues a finding stating that those taxes should not be considered property taxes for purposes of this chapter.

(d) Before making a finding under subsection (c), the Indiana economic development corporation must consider whether the project or facility for which the debt service or lease rentals will be paid will:

(1) lead to increased investment in Indiana;

(2) foster job creation or job retention in Indiana;

(3) have a positive impact on the political subdivision in which the project or facility is located or will be located; or

(4) otherwise benefit the people of Indiana by increasing opportunities for employment in Indiana and strengthening the economy of Indiana."

Page 7, delete lines 1 through 4.

- 1 Page 24, line 16, delete "thirty (30)" and insert **"twenty-five (25)"**.
- 2 Page 25, line 15, delete ":" and insert "five (5) years from the date
- 3 of issuance."
- 4 Page 25, delete lines 16 through 19.
- 5 Page 27, line 9, delete "thirty (30)" and insert **"twenty-five (25)"**.
- 6 Page 35, line 39, after "provision" insert ".".
- 7 Page 35, line 39, strike "that" and insert **"For an allocation area**
- 8 **established before July 1, 2008, the expiration date"**.
- 9 Page 35, line 40, after "established." insert **"For an allocation area**
- 10 **established after June 30, 2008, the expiration date may not be**
- 11 **more than twenty-five (25) years after the date on which the**
- 12 **allocation provision is established."**
- 13 Page 36, line 36, strike "in or serving" and insert **"that are**
- 14 **physically located in or physically connected to"**.
- 15 Page 37, line 5, strike "in or serving" and insert **"that are physically**
- 16 **located in or physically connected to"**.
- 17 Page 37, line 7, strike "in or serving" and insert **"that is physically**
- 18 **located in or physically connected to"**.
- 19 Page 42, line 25, delete "established".
- 20 Page 42, line 26, delete "before July 1, 2008,".
- 21 Page 42, line 27, delete "However, real property (or interests)".
- 22 Page 42, delete lines 28 through 41.
- 23 Page 51, line 30, delete ":" and insert "five (5) years from the date
- 24 of issuance."
- 25 Page 51, delete lines 31 through 34.
- 26 Page 64, line 33, delete "thirty (30)" and insert **"twenty-five (25)"**.
- 27 Page 65, line 24, delete ":" and insert "five (5) years from the date
- 28 of issue."
- 29 Page 65, delete lines 25 through 28.
- 30 Page 65, line 35, reset in roman "or in part".
- 31 Page 66, line 33, delete "thirty (30)" and insert **"twenty-five (25)"**.
- 32 Page 74, line 22, after "provision" insert ".".
- 33 Page 74, line 22, strike "that" and insert **"For an allocation area**
- 34 **established before July 1, 2008, the expiration date"**.
- 35 Page 74, line 24, after "established." insert **"For an allocation area**
- 36 **established after June 30, 2008, the expiration date may not be**
- 37 **more than twenty-five (25) years after the date on which the**
- 38 **allocation provision is established."**
- 39 Page 75, line 19, strike "in" and insert **"that are physically located**
- 40 **in or physically connected to"**.
- 41 Page 75, line 30, strike "in" and insert **"that are physically located**
- 42 **in or physically connected to"**.

- 1 Page 75, line 32, strike "in" and insert **"that is physically located**
- 2 **in or physically connected to"**.
- 3 Page 80, line 22, delete "established before".
- 4 Page 80, line 23, delete "July 1, 2008,".
- 5 Page 80, line 24, delete "However, real property (or interests in
- 6 real".
- 7 Page 80, delete lines 25 through 38.
- 8 Page 85, line 32, delete "thirty (30)" and insert **"twenty-five (25)"**.
- 9 Page 86, line 23, delete ":" and insert "five (5) years from the date
- 10 of issue."
- 11 Page 86, delete lines 24 through 27.
- 12 Page 87, line 28, delete "thirty (30)" and insert **"twenty-five (25)"**.
- 13 Page 92, line 34, after "provision" insert ".".
- 14 Page 92, line 35, strike "that" and insert **"For an allocation area**
- 15 **established before July 1, 2008, the expiration date"**.
- 16 Page 92, line 36, after "established." insert **"For an allocation area**
- 17 **established after June 30, 2008, the expiration date may not be**
- 18 **more than twenty-five (25) years after the date on which the**
- 19 **allocation provision is established."**
- 20 Page 93, line 31, strike "in" and insert **"that are physically located**
- 21 **in or physically connected to"**.
- 22 Page 93, line 41, after "chapter)" strike "in" and insert **"that are**
- 23 **physically located in or physically connected to"**.
- 24 Page 94, line 2, strike "in" and insert **"that is physically located in**
- 25 **or physically connected to"**.
- 26 Page 98, line 35, delete "established before".
- 27 Page 98, line 36, delete "July 1, 2008,".
- 28 Page 98, line 37, delete "However, real property (or interests in
- 29 real".
- 30 Page 98, delete lines 38 through 42.
- 31 Page 99, delete lines 1 through 9.

- 1 Page 100, line 1, delete "thirty (30)" and insert "**twenty-five (25)**".
- 2 Page 100, line 22, delete ":" and insert "five (5) years;".
- 3 Page 100, delete lines 23 through 26.  
(Reference is to SB 17 as introduced.)

**and when so amended that said bill do pass .**

Committee Vote: Yeas 11, Nays 0.

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**Senator Kenley, Chairperson**